

January 2005

The Department is pleased to offer this new corporate short form. This form is designed to reduce the tax-filing burden on many corporations and LLC's that conduct business in Louisiana.

Most corporations or LLC's that conduct 100% of their business within Louisiana and have assets at the close of the taxable year of \$50 million or less may use this form.

If a taxpayer has a tax credit other than the Inventory tax or Enterprise Zone credits, then the long form (CIFT-620) must be used.

If you received this form and find that it will not meet your company's filing requirements, then you may obtain a copy of the CIFT-620 at any of the Department's offices listed on the back cover or at www.revenue.louisiana.gov.

General Information

Important

The Louisiana Revenue Account Number **must be used** on all tax documents and correspondence.

Please use the pre-printed return supplied by the Department. Any change of address should be noted in the address area, and the circle indicating that the address has changed should be marked. If a pre-printed return is unavailable, you must indicate the Louisiana Revenue Account Number, complete name, and current address on the tax return. If the address is different from that of the last return filed, mark the circle indicating that the address has changed. Returns and instructions are available at all offices listed on page 7 and via the Department's website, www.revenue.louisiana.gov.

Please complete all applicable lines and schedules of the return. Failure to furnish complete information will cause processing of the return to be delayed and may necessitate a manual review of the return.

Every corporation should retain, for inspection by a revenue auditor, working papers showing the balance in each account on the corporation's books used in preparing the return until the taxes to which they relate have prescribed.

Who must file?

Domestic Corporations – Corporations organized under the laws of Louisiana must file an income and franchise tax return (either Form CIFT-620 or CIFT-620SF) each year unless exempt from both taxes. Domestic corporations with assets greater than \$50 million must file Form CIFT-620. **Any domestic corporation** claiming credits other than the Enterprise Zone Credit and the Inventory Tax Credit **must** file Form CIFT-620.

Corporation franchise tax for domestic corporations continues to accrue, regardless of whether any assets are owned or any business operations are conducted, until a "Certificate of Dissolution" is issued by the Louisiana Secretary of State.

Other entities – Any entity taxed as a corporation for federal income tax purposes will also be taxed as a corporation for state income tax purposes.

Consolidated groups – Louisiana law does not provide for filing consolidated returns. Generally, separate corporate income and franchise tax returns must be filed by all corporate entities liable for a Louisiana tax return.

Subchapter S Corporations – Louisiana law does not recognize Subchapter S corporation status, and a Subchapter S corporation is required to file in the same manner as a C corporation. However, in certain instances, all or part of the corporation income can be excluded from Louisiana tax. For information on the S corporation exclusion of net income, refer to instructions for Schedule A - Computation of Louisiana Taxable Income, Line 14.

Exempt corporations – Louisiana Revised Statute 47:287.501 provides that an organization described in Internal Revenue Code Sections 401(a) or 501 shall be exempt from income taxation to the extent the organization is exempt from income taxation under federal law, unless the contrary is expressly provided. An organization claiming exemption under R.S. 47:287.501 must submit a copy of the Internal Revenue Service ruling establishing its exempt status. Refer to R.S. 47:287.501 for additional exemptions provided for banking corporations. Refer to R.S. 47:287.521, 526, 527, and 528 for information concerning the treatment of farmers' cooperatives, other cooperatives, ship owners' protection and indemnity associations, political organizations, and homeowners' associations.

Refer to R.S. 47:608 for information concerning those corporations exempt from franchise tax. Those corporations that meet the prescribed standards of organization, ownership, control, sources of income, and disposition of funds must apply for and secure a ruling of exemption from the Department.

Time and place for filing

On or before the 15th day of the 4th month (April 15 on a calendar year basis) following the close of an accounting period, an income tax return for the period closed and a franchise tax return for the

succeeding period must be filed with the Secretary of the Louisiana Department of Revenue, Post Office Box 91011, Baton Rouge, LA 70821-9011. If the due date falls on a weekend or holiday, the return is due the next business day and becomes delinquent the first day thereafter. Make payments to Louisiana Department of Revenue. **Do Not Send Cash.**

Extensions of time for filing

The Secretary may grant a reasonable extension of time to file the combined corporation income and franchise tax return not to exceed seven months from the due date of the tax return. Louisiana will recognize and accept the federal extension authorizing the same extended due date as the federal. A copy of the request filed with the Internal Revenue Service must be attached to the Louisiana return. If a federal extension has not been obtained or additional time is needed beyond the extended due date of the federal return, Form CIFT-620EXT (Application for Automatic Extension of Time to File Corporation Income and Franchise Taxes Return) should be filed with the Department by the due date of the return for which the extension applies. This form is available on the Department's website at: www.revenue.louisiana.gov.

Periods to be covered

The return must be filed for either a calendar year, a fiscal year (12-month accounting period ending on the last day of any month other than December), or a 52 - 53 week accounting period. The dates on which the period reported on the return begins and ends must be plainly stated in the appropriate space at the top of the return. The accounting period must be the same as that used for federal income tax purposes.

Returns for part of the year

For information concerning returns filed for part of the year, refer to the instructions for Lines 2 (Corporation Income Tax Information) and 9 (Corporation Franchise Tax Information) on Page 2 of the instructions for information on annualization and proration.

Amended returns

In order to amend the amounts reported for the computation of income or franchise taxes, the taxpayer must file an amended Form CIFT-620SF, along with a detailed explanation of the changes, and a copy of the federal amended return (Form 1120X), if applicable. The "AMENDED RETURN" circle on the Louisiana form should be clearly marked.

Report of federal adjustments

R.S. 47:287.614C requires every taxpayer whose federal return is adjusted to furnish a statement disclosing the nature and amounts of such adjustments within 60 days after the adjustments have been made and accepted. This statement should accompany the amended return.

Declaration of estimated tax

R.S. 47:287.654 requires every corporation that can reasonably expect its estimated income tax for the year to be \$1,000 or more to make installment payments of its liability. The term "estimated tax" means the amount the taxpayer estimates to be the Louisiana income tax imposed for the period less the amount it estimates to be the sum of any credits allowable against the tax.

See the instructions pertaining to Form CIFT-620ES for further information, including the addition to the tax for underpayment or nonpayment of estimated income tax.

Rounding to whole dollars

Round cents to the nearest whole dollar on Form CIFT-620SF. Total prepayments, including any credit carried forward from last year, should also be rounded to the nearest whole dollar.

Signatures – An authorized officer of the corporation must sign the return (e.g. president, vice president or treasurer). If receivers, trustees in bankruptcy, or assignees are operating the property or business of the corporation, such officials must execute the return for such corporation. Any person, firm or corporation that prepares a taxpayer's return must also sign. If a firm, or corporation prepares a return, the return must be signed in the name of the firm or corporation. This verification is not required when a regular full-time employee of the taxpayer prepares the return. Telephone numbers of officers and preparers should be furnished.

Instructions for Completing Form CIFT-620SF

Lines A through H – All taxpayers must answer the questions in Lines A through H. For Line “G,” please enter the corporation’s six-digit North American Industry Classification System Code (NAICS).

Corporation Income Tax Information

Line 1 – Louisiana taxable income – Print the amount of the corporation’s Louisiana taxable income. This amount is from Line 18 of Schedule A – Computation of Louisiana Taxable Income.

Line 2 – Louisiana corporate income tax – This amount is computed on the Calculation of Income Tax Worksheet on page 6. Print the amount from Line 4 of the worksheet.

If filing a return for part of the year, other than the initial and final return, you must compute the income tax on an annual basis. Divide the Louisiana taxable income of the short period by the number of months in the period, and multiply the quotient by 12. Compute the income tax on the result by applying the regular tax rates and brackets. Divide the annual tax amount by 12 and multiply the quotient by the number of months in the short period. This is your annualized income tax. Enter on Line 2 of Page 1 of Form CIFT-620SF in the Corporation Income Tax Information section.

Line 3 – Enterprise Zone Credit – Enter the amount of the credit on this line. Attach appropriate documentation from the Louisiana Department of Economic Development if claiming a new credit. If the amount is a carry forward from a previous period, no documentation is required. To claim other nonrefundable credits, a corporate taxpayer must file Form CIFT-620 in lieu of CIFT-620SF. If less than zero, print zero, “0.”

Line 4 – Tax after credit – Subtract Line 3 from Line 2 and print the result.

Line 5 – Payments – Enter the total amount of prepayments made for this filing. Include credit from a prior year return, declaration payments, amounts paid on extension requests, and any payment made on the corporation’s behalf by the filing of a composite partnership return.

Line 6 – Amount of income tax due or overpayment – Subtract Line 5 from Line 4 and print the result. Indicate an overpayment by stating the amount in parenthesis. For example, a one thousand dollar overpayment would be expressed as (1,000).

Corporation Franchise Tax Information

Line 7 – Franchise tax apportionment percentage – This number must be 100%.

Line 8 – Louisiana taxable base – Print the amount from Line 3 of the Calculation of Franchise Tax Worksheet on page 6.

Line 9 – Louisiana corporate franchise tax – Print the amount from Line 8 of the Calculation of Franchise Tax Worksheet on page 6.

In the case of a return for part of the year other than the initial or final return, the franchise tax due shall be prorated. To calculate the tax due, the tax for a full year is computed and multiplied by a ratio. The numerator of the ratio is the number of months from the closing date of the prior franchise year to the closing date of the short period return filed, and the denominator is 12.

Line 10 – Enterprise Zone Credit – Enter the amount of the credit on this line. Attach appropriate documentation from the Louisiana Department of Economic Development if claiming a new credit. If the amount is a carry forward from a previous period, no documentation is required. To claim other nonrefundable credits, a corporate taxpayer must file Form CIFT-620 in lieu of CIFT-620SF. If less than zero, print zero, “0.”

Line 11 – Franchise tax after credit – Subtract Line 10 from Line 9 and print the result.

Line 12 – Payments – Enter the amount of any payments made for this filing.

Line 13 – Amount of franchise tax due or overpayment – Subtract Line 12 from Line 11 and print the result. Indicate an overpayment by stating the amount in parenthesis. For example, a one thousand dollar overpayment would be expressed as (1,000).

Summary of Taxes Due

Line 1 – Total tax due – Add Line 6 of the Corporation Income Tax Information area to Line 13 of the Corporation Franchise Tax Information area and print the result. Indicate an overpayment by stating the amount in parenthesis. For example, a one thousand dollar overpayment would be expressed as (1,000).

Line 2 – Ad Valorem Credit – R.S. 47:6006 provides for a credit against income tax and franchise tax for ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, and retailers. However, no credit is allowed for ad valorem taxes paid by those retailers who have collected the taxes from persons to whom the inventory has been sold. Any allowable credit that exceeds the tax liability shall be refunded to the taxpayer.

R.S. 47:6006.1 provides for a credit against income tax and franchise tax for ad valorem taxes paid on vessels in Outer Continental Shelf Lands Act waters. Any credit that exceeds the amount of the tax liability shall be refunded to the taxpayer. Attach Form LAT11.

Line 3 – Net tax due or overpayment – Subtract Line 2 from Line 1 and print the result. Indicate an overpayment by stating the amount in parenthesis. For example, a one thousand dollar overpayment would be expressed as (1,000).

Line 4 – Delinquent filing penalty – The penalty for failure to file a return on time is 5 percent of the tax if the delay in filing is for not more than 30 days, with an additional 5 percent for each additional 30 days or fraction thereof during which the failure to pay continues.

Line 5 - Delinquent Payment Penalty

The penalty for failure to pay the tax in full by the date the return is required by law to be filed, determined without regard to any extension of time for filing the return, is 5 percent of the tax not paid for each 30 days, or fraction thereof, during which the failure to pay continues. Delinquent filing and delinquent late payment penalties combined cannot exceed 25 percent. Please see LAC 61:III.2101.

Line 6 – Interest – The amount of interest, as provided in R.S. 47:1601, is computed at the rate of 1.25 percent per month from the date the tax is due until the date it is paid.

Line 7 – Amount due or overpayment – Add Lines 3, 4, 5, and 6 and print the result. Indicate an overpayment by stating the amount in parenthesis. For example, a one thousand dollar overpayment would be expressed as (1,000). If the result is a deficiency, make check payable to the Louisiana Department of Revenue. **Do not send cash.** Please remit payment to P.O. Box 91011, Baton Rouge, LA 70821-9011.

Line 8 – Amount of overpayment to be refunded – Print the amount of the overpayment shown on Line 7 to be refunded.

Line 9 – Amount of overpayment to be credited to 2005 – Indicate the amount of the overpayment shown on Line 7 to be credited to the corporation’s 2005 tax liability.

Instructions for Schedule A – Computation of Louisiana Taxable Income

Line 1 – Federal taxable income – Enter the federal taxable income of the corporation. If the corporation is included with affiliates in a consolidated federal income tax return, or is not a Subchapter C corporation for federal income tax purposes, enter the taxable income that would have been reported on the federal return if the corporation had been required to file an income tax return with the Internal Revenue Service on a separate Subchapter C corporation basis.

Lines 2 through 6 – Additions to federal taxable income – Deductions taken on the federal return for a net operating loss, dividends received, and Louisiana income tax are not allowable deductions on the Louisiana return and must be added back to federal taxable income. Interest or dividend income from the obligations of states other than Louisiana and their political subdivisions are subject to Louisiana income tax and must be reported on the return (R.S. 47:287.71 and 47:287.73). With respect to Line 6, refer to R.S. 47:287.71 and R.S. 47:287.73 for other additions to federal taxable income. A schedule of the items on this line must be attached.

Line 7 – Subtotal – Add Lines 1 through 6, and print the result.

Line 8 – Refund(s) of Louisiana income tax – To the extent that the refund(s) of Louisiana income tax is included in federal taxable income, it should be deducted on this line.

Line 9 – Corporate dividends that have borne Louisiana income tax – Dividends paid from corporate income that has borne Louisiana income tax are not taxable to the receiving corporation. To the extent that such dividends are included on Line 1 or Line 3, a deduction is allowed on this line. Please see R.S. 47:287.73.

Line 10 – Louisiana depletion in excess of federal depletion – As provided in R.S. 47:287.745, in computing net income in the case of oil and gas wells, there shall be allowed as a deduction cost depletion as defined under federal law or percentage depletion, whichever is greater. Percentage depletion is equal to 22 percent of gross income from the property during the taxable year, excluding any rents or royalties paid or incurred by the taxpayer in respect of the property. This depletion amount should not exceed 50 percent of the net income of the property computed without an allowance for depletion. In determining taxable income from the property, federal income taxes shall be considered an expense.

Line 11 – IRC Section 280(C) Deduction – Whenever an otherwise allowable expense for purposes of computing federal taxable income is disallowed under the provisions of IRC Section 280(C), an additional deduction in the amount of the disallowed expense is allowed on this line. Please see R.S. 47:287.73.

Line 12 – Other Subtraction – Enter any other items of subtraction on this line. A schedule listing each subtraction must be attached.

Line 13 – Subtotal – Subtract from Line 7 the sum of Lines 8 through 12.

Line 14 – Subchapter S Corporation exclusion – R.S. 47:287.732(B) provides an S corporation with an exclusion of its Louisiana net income. The exclusion is determined by multiplying Louisiana net income by a ratio calculated by dividing the number of issued and outstanding shares of the S corporation's capital stock owned by Louisiana residents on the last day of the S corporation's taxable year by the total number of issued and outstanding shares of capital stock on the last day of the S corporation's taxable year. A Louisiana "resident" includes resident estates and trusts and resident and nonresident individual shareholders who have filed a correct and complete Louisiana income tax return and paid the tax due. This ratio is also applicable to a Louisiana net loss to exclude a percentage of the loss from carry back or carry forward treatment.

A schedule showing the calculation of the exclusion must be attached to the return. This schedule must include a list of all shareholders of the corporation, designating those who report the S corporation income on a Louisiana tax return. The shareholder

information must include the name of the shareholder, address and Social Security Number, the number of shares held on the last day of the taxable year, and the amount of the distributive share of S corporation net income for each shareholder.

Lines 15 and 16 – Loss carry forward or carry back deduction(s) – The amount of net loss may be carried back to each of the three taxable years that precede the taxable year of such loss and/or forward 15 years immediately following the year in which the loss occurred.

A net operating loss generated after a reorganization cannot be carried back to a corporation that does not survive the reorganization. See R.S. 47:287.86(l).

Where a federal tax refund or credit arises from the carry back or carry forward of a federal net operating loss, the Louisiana net operating loss must be reduced by the amount of the federal tax refund or credit that applies to the federal income tax deducted on the prior Louisiana return. In calculating the federal tax refund applicable to the loss, consideration must be given to the total federal refund or credit received from all prior periods, including the refund or credit resulting from the investment tax credit carry back. The amount of the refund or credit applicable to Louisiana is determined by multiplying the total refund or credit by a ratio obtained by dividing the federal tax deducted on the original Louisiana return by the total federal tax on the original federal tax return.

In the event that there is no carry back or carry forward of a net operating loss for federal purposes, then as provided in R.S. 47:287.73, the federal income tax deduction should be recomputed to reflect the carry back or carry forward of the net operating loss. The net operating loss carry back or carry forward should be used to reduce the Louisiana taxable income prior to the calculation of the ratio of Louisiana net income on a federal basis to federal net income in the computation of the federal income tax deduction.

A schedule showing the calculation of the loss carry forward or loss carry back must be attached to the return.

To apply for a tentative refund resulting from the carry back of a net operating loss, use Form R-6701, CIT-624 (Request for a Tentative Refund Resulting from the Election to Carry Back a Net Operating Loss).

Line 17 – Federal income tax deduction – Use the worksheet on page 5 to compute this deduction. Print the amount from Line 12 of the worksheet.

Line 18 – Louisiana taxable income – Subtract from Line 13 the sum of Lines 14 through 17. Print the amount on Line 1 of the Corporation Income Tax Information area on the front of the return, and on Line 1 of the Calculation of Income Tax Worksheet on page 6.

Instructions for Schedule B - Liabilities and Capital – Computation of Franchise Tax Base

Complete all applicable lines of Schedule B - Liabilities and Capital - Computation of Franchise Tax Base. For Lines 1 through 12, enter the beginning and ending amounts for each item in Columns 1 and 2. You must extend to Column 3 any amounts applicable to the computation of the franchise tax base. Once completed, add all amounts in Column 3 and print the total on Line 13, and on Line 1 of the Calculation of Franchise Tax Worksheet located on page 6 of the instructions.

Below is information relative to the relationship between the Louisiana franchise tax base and various components of the liabilities and capital sections of a balance sheet.

Schedule B – Balance Sheet Information and Corporation Franchise Taxable Base – Corporations shall compute their tax liability on the basis of the portion of the total taxable base employed in Louisiana at the close of the preceding calendar or fiscal year. The total taxable base is composed of capital stock, surplus, undivided profits, and borrowed capital. The balance sheet information in Schedule B should reflect, in addition to the amounts shown on the books, the value of any assets undervalued or not reflected on the books. The corporation franchise tax law provides that all assets are deemed to have such values as reflected on the books of the corporation subject to examination and revision by the Secretary of the Louisiana Department of Revenue. The Secretary may increase the book value of assets up to cost to reflect the true value of surplus and undivided profits, but is prohibited from making revisions that would reflect any value below the amount reflected on the books of the taxpayer. A taxpayer may, at his own discretion, reflect values in excess of cost. In determining cost to which the revisions limitation applies, the fair market value of any asset received in an exchange of properties shall, in most cases, be deemed to constitute the cost of the asset to the taxpayer.

Determination of total capital stock, surplus, undivided profits, and borrowed capital

Capital Stock – The term “capital stock” means all stock that is issued and outstanding. However, the cost of treasury stock may be deducted from earned surplus, limited to the extent of the surplus that was available when the treasury stock was acquired. Capital stock, whether par value or not, is deemed to have such value as is reflected on the books, which are subject to the examination and revision by the Secretary, but the value will in no event be less than shown on the books.

Surplus, undivided profits, etc. – Surplus and undivided profits shall be deemed to have such value as is reflected on the books of the corporation, subject to examination and revision by the Secretary. Reserves other than depreciation, bad debts, other established valuation reserves, etc., should be included. Examples of reserves to be included in surplus and undivided profits are reserves for contingencies, repairs, self-insurance, etc. In addition, any excessive valuation reserve should be included in the taxable base to the extent of such excess. **Deferred income tax must be included in the taxable base.** The entire profit on installment obligations should be included in surplus regardless of whether deferred on the books.

In computing surplus and undivided profits, any amounts required by court order to be set aside and segregated in such manner as not to be available for distribution to stockholders or for investment in properties, the earnings from which are distributable to stockholders, may be excluded from the franchise taxable base.

In the event that surplus and undivided profits accounts reflect a negative figure or deficit, such deficit shall reduce the franchise taxable base.

Refer to R.S. 47:605A for information concerning the reduction of surplus for depreciation sustained, but not taken on the books of corporations under the control of a governmental agency.

Borrowed capital – For the purpose of computing the basis upon which the franchise tax is levied, the term “borrowed capital” includes the following three basic classifications of corporate indebtedness:

- **Indebtedness maturing more than one year from the date incurred**
This classification depends solely upon the maturity date of an obligation outstanding on the corporate books at the close of its fiscal or calendar year. Every obligation, indebtedness, or portion thereof maturing more than one year from the date incurred must be included in the taxable base as borrowed capital. Any amount of long-term debt reclassified for book purposes as the current portion of long-term debt should not be excluded from the franchise taxable base.
- **Indebtedness that is not paid within one year from the original date incurred regardless of maturity date**
This classification includes every obligation, indebtedness, or portion thereof that is not paid within one year from the date of inception. For any indebtedness that is extended, renewed, or refinanced, the date such indebtedness was originally incurred or contracted will be considered as the date incurred for the purpose of determining the age.
- **Indebtedness owed to a subsidiary or affiliate**
The age or maturity date of this type of indebtedness is unimportant. If an amount is owed to a subsidiary or affiliated company and is substantially used to finance or carry on the taxpayer's business, it is borrowed capital. For this purpose, an affiliated corporation is any corporation that, through stock ownership, directorate control, or other means, substantially influences policy of some other corporation or is influenced through the same channels by some other corporation. Amounts owed to a subsidiary or affiliate may be netted with amounts due from a subsidiary or affiliate only in the case of equally demandable and payable indebtedness, of the same type, between the same two corporations.

Refer to R.S. 47:602 and R.S. 47:603 for items that are excludable from the franchise taxable base.

Instructions for Federal Income Tax Deduction Worksheet

Lines 1B and 1C – As provided in R.S. 47:287.83, no federal income tax deduction shall be allowed on net income upon which no Louisiana tax has been incurred, or upon which, for any reason whatsoever, no Louisiana income tax will be paid. Since no tax will be paid on the income reduced by the net operating loss carry forward and the net operating loss carry back, they must be subtracted from Louisiana net income.

Line 2 – In order to make Louisiana net income and federal net income comparable, Louisiana net income should be converted to a federal basis. Items of difference between federal and state net income are divided into “compensating items” and “noncompensating items.” “Compensating items” are those differences in items of deduction or items of net income for a particular year that arise solely by reason of the fact that the item is accounted for in different periods for federal and Louisiana income tax purposes (example: depreciation). “Noncompensating items” are any items of difference between federal and Louisiana income or deductions for a particular year other than those defined as “compensating items.” These items generally arise from a difference in tax law between federal and state and will never adjust themselves (example: depletion, dividend exclusion, Louisiana income tax).

Items of difference that relate to apportionable income should have the apportionment percentage applied before computing the adjustment amount. Items of difference that relate to allocable income are considered only if they relate to Louisiana allocable income. The apportionment percentage is not applied to these items.

“Noncompensating items” of addition can be added only to the extent of the “noncompensating items” of subtraction. “Noncompensating items” of subtraction are not limited. “Compensating items” of addition and subtraction are allowed with no limitation.

Line 5 – The federal net income is adjusted to account for expenses that would have been allowed as deductions on the federal return, but were disallowed because of the provisions of IRC Section 280(C). An example of such an expense is the salary expense disallowed due to the utilization of the jobs credit.

Line 8 – The federal income tax liability is the actual tax liability after being reduced for all credits except the alternative minimum tax credit. A corporation that files, or is included in, a consolidated federal income tax return must allocate a portion of the consolidated tax liability before determining the deductible portion. In its basic application, the method for allocating the consolidated tax is outlined here. A spread of each member in the consolidated group must be prepared as if each company filed as a separate company for federal income tax purposes. All loss companies should be eliminated in the spread. The tax for each company should be computed on a separate basis. All tax credits should be applied to the specific company to which they relate. A ratio of each company’s separate company tax to the total tax for all companies computed on a separate company basis should be calculated. This ratio is then applied to the actual consolidated tax liability. Refer to Louisiana Administrative Code 61:I.1122 and 1123 for additional information for more complex situations.

Line 9 – Under most circumstances, the alternative minimum tax is not deductible on the Louisiana return. The tax is deductible only to the extent that Louisiana tax is paid on income on which alternative minimum tax has been paid and no regular federal income tax will be paid. Refer to Louisiana Administrative Code 61:I.1122 for further explanation.

Line 10 – The environmental tax is not deductible as a federal income tax deduction; however, it is deducted as a line item deduction in arriving at federal net income.

Federal Income Tax Deduction Worksheet

1A	Louisiana net income (Line 13, Schedule A - Computation of Louisiana Taxable Income)	\$	
1B	Loss carry forward (Line 15, Schedule A - Form CIFT - 620SF)	\$	
1C	Loss carry back (Line 16, Schedule A - Form CIFT - 620SF)	\$	
1D	Louisiana net income before federal income tax deduction (Subtract Lines 1B and 1C from Line 1A.)	\$	
2	Adjustments to convert Louisiana net income to a federal basis		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
	Net adjustment	\$	
3	Louisiana net income on a federal basis (Subtract Line 2 from Line 1D.)	\$	
4	Federal net income	\$	
5	Less creditable expenses	\$	
6	Federal net income (Subtract Line 5 from Line 4.)	\$	
7	Ratio of Louisiana net income to federal net income (Divide Line 3 by Line 6.)		_____ %
8	Federal income tax liability	\$	
9	Less alternative minimum tax	\$	
10	Less environmental tax	\$	
11	Federal income tax (Subtract Lines 9 and 10 from Line 8.)	\$	
12	Federal income tax attributable to Louisiana income (Multiply Line 7 by Line 11.)	\$	

The amount of federal income tax to be deducted is that portion levied on the income derived from sources in this state. See R.S. 47:287.83 and 85 and Louisiana Administrative Code 61:I.1122 and 1123 for specific information regarding the computation of the federal income tax deduction.

Tax Calculation Worksheets

Calculation of Income Tax Worksheet				Calculation of Franchise Tax Worksheet		
1. Enter the net taxable income from Line 1 of the Corporation Income Tax Information Section of Form CIFT-620SF.				1. Enter the amount from Line 13, Column 3, of the Liabilities and Capital-Franchise tax base on back of the return.		
2. Calculation of tax	Column 1		Column 2	2. Enter amount of assessed value of real property and personal property in Louisiana in 2004. * See below.		
a. First \$25,000 of net income	Net income in each bracket	RATE	TAX	3. Enter the greater of Line 1 or Line 2. Print this amount on Line 8 on Form CIFT-620SF.		
b. Next \$25,000		x 4% =		4. Enter first \$300,000 of Line 3 above.		
c. Next \$50,000		x 5% =		5. Multiply the amount on Line 4 by \$1.50 for each \$1,000 or major fraction thereof and enter here.		
d. Next \$100,000		x 6% =		6. Subtract Line 4 from Line 3 and enter here.		
e. Over \$200,000		x 7% =		7. Multiply the amount on Line 6 by \$3.00 for each \$1,000 or major fraction thereof and enter here.		
		x 8% =		8. Add Lines 5 and 7. Enter the result or \$10.00, whichever is greater, here and on Page 1, Line 9. Round to the nearest dollar.		
3. Add Lines 2a through 2e of Column 1 and enter here.						
4. Add Lines 2a through 2e of Column 2. Enter here and on Page 1, Line 2 in the Corporation Income Tax Information area on the face of the return. Round to the nearest dollar.						

*** Assessed value of real and personal property**

R.S. 47:606(C) provides that the portion of capital stock, surplus, undivided profits, and borrowed capital allocated for franchise taxation shall in no case be less than the total assessed value of real and personal property in this state for the calendar year preceding that in which the tax is due. The assessed value of real and personal property is generally that value determined for property tax purposes in the area where the property is located. Enter on this line the assessed value of the real and personal property located in Louisiana in 2004.

Regional Offices

Tax assistance is available at these offices of the Louisiana Department of Revenue:

Physical addresses of regional offices

Alexandria
900 Murray Street
Room B-100
Alexandria, LA 71301-7643

Monroe
122 St. John Street
Room 105
Monroe, LA 71201-7338

Baton Rouge – Headquarters
617 North Third Street
Baton Rouge, LA 70802-5428

New Orleans
1555 Poydras Street
Suite 900
New Orleans, LA 70112-3707

Baton Rouge
8549 United Plaza Boulevard
Suite 200
Baton Rouge, LA 70809-0206

Shreveport
1525 Fairfield Avenue
Shreveport, LA 71101-4371

Lafayette
825 Kaliste Saloom Road
Brandywine III, Suite 150
Lafayette, LA 70508-4237

Thibodaux
1418 Tiger Drive
Thibodaux, LA 70301-4337

Lake Charles
One Lakeshore Drive
Suite 1550
Lake Charles, LA 70629-0001

Mailing addresses of regional offices

LDR - Alexandria
P. O. Box 1191
Alexandria, LA 71309-1191

LDR - Monroe
P. O. Box 1783
Monroe, LA 71210-1783

LDR - Baton Rouge – Headquarters
P. O. Box 201
Baton Rouge, LA 70821-0201

LDR - New Orleans
Suite 900
1555 Poydras Street
New Orleans, LA 70112-3707

LDR - Baton Rouge
P. O. Box 80519
Baton Rouge, LA 70898-0519

LDR - Shreveport
P. O. Box 31706
Shreveport, LA 71130-1706

LDR - Lafayette
P. O. Box 81857
Lafayette, LA 70598-1857

LDR - Thibodaux
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Thibodaux, LA 70302-1429

LDR - Lake Charles
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(TDD)(225) 219-2114
Baton Rouge(225) 922-2300
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Lake Charles(337) 491-2504
Monroe(318) 362-3151
New Orleans(504) 568-5233
Shreveport(318) 676-7505
Thibodaux(985) 447-0976

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